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NEW POLICY CLAMPS DOWN ON 'SPOT AUTHORIZATIONS' RECONVERSION

Reconversion to manufacture of civilian goods through the "spot production" procedure received a severe set-back in an announcement Dec. 1 by WPB, WMC, the Army, and the Navy to the effect that "no authorization to produce less essential goods under Priorities Regulation 25 can be granted if the authorization will interfere with war production."

Stepped-up requirements in all of the theaters of military operations have made necessary new production programs which will result in very large additional demands for labor, the announcement stated.

The following is the new "restrictive policy" on "spot" reconversion:

"1. It is just as urgent to maintain and, in certain areas, to build up war production today as it was on the day after Pearl Harbor. New and unexpected demands resulting from combat experience constantly arise and must be met. Less urgent production and services must not be permitted to interfere with such demands.

"2. In any locality where war production is lagging behind schedule because of lack of certain types of labor, or where there is available labor of a type needed and transferable in inter-state or inter-regional recruitment:

"(a) Every effort must be made to make such labor available for war production even at the cost of actually reducing less urgent civilian type production and service industries through:

"1. The reduction of employment ceilings where such action will release the types of labor needed in war production.

"2. The application of WPB material and priority controls through recommendations by the local committees to the WPB in specific cases when such actions would release the needed types of labor.

"(b) Reconversion to, or expansion of, less urgent production or preparatory steps in connection therewith, that require the type of labor currently needed in war production must not be authorized.

"3. Plants engaged in production of programs or products on the National Production Urgency List, or plants designated as of equal urgency by the Area Production Urgency Committees, must be continuously scrutinized from the viewpoint that even though they are on schedule, increased quantities of their products may be needed to satisfy total requirements. For example, in certain instances by agreement between WMC, WPB, the affected procurement agencies and management, needed labor for must production can be provided by a transfer of workers engaged on less urgent work in such plants.

"4. Only in localities where war production is on schedule, where schedules formerly reduced for lack of labor have been increased to the extent necessary and are being met, or where failure to meet schedules is due to causes other than manpower shortage, and where labor not qualified and needed for war production (either in that locality or available for inter-regional recruitment) is currently available, can any request for civilian production under WPB Regulation No. 25 be approved.

"5. Each case, under Priorities Regulation No. 25, involving resumption or expansion of civilian production, or preparatory steps in connection therewith, should be considered on its merits after a careful

investigation of the facts and full consideration of the policies set forth in points 1-4 above. In Group 1 labor areas, in certain other labor areas regardless of how classified, and in still other areas which may hereafter be specifically designated by the WPB and WMC, there will be, for a period of 90 days, no 'spot' authorizations except in unusual cases, and then only on the recommendation of the Chairman of the local Production Urgency Committee with the concurrence of the Area Director of the WMC, and the approval of such recommendations by the WPB (Production Executive Committee) in Washington. Where there is unanimous agreement on any such cases by all members of the Production Urgency Committee, the case need not be referred to Washington.

"6. Wherever it is clearly evident that it can be done without harm to war production, steps, other than production under PR-25, looking toward reconversion, can be authorized under appropriate War Production Board and War Manpower Commission regulations. Individual memoranda will be sent to you covering each phase of these other preparatory steps, such as, for example, the building of experimental models (PR-23) and the installation of capital equipment (PR-24 and L-41).

"7. In view of the extremely heavy manpower demands for urgent war production, it is not possible at this time to grant any blanket exemption from these policies to smaller plants. Applications from such plants, however, should be given particularly prompt consideration."

BIG EXPANSION IN ELECTRIC MOTOR PRODUCTION EXPECTED IN '45

Completion of a \$5 million program to expand facilities for the production of fractional horsepower motors by the end of the first quarter of 1945 is expected by WPB. The increased production is expected to ease the present critical supply situation and to "get into" the backlog of unfilled orders for 4.8 million motors.

Production of motors in the final quarter of 1944 is expected to average 450,000 units, as compared with 400,000 a month in the second quarter of this year. A similar increase is scheduled for the first quarter of 1945 and substantial increases are to be expected during the latter part of next year, said WPB.

PRODUCTION OF ELECTRIC RANGES WILL LAG BEHIND AUTHORIZATIONS, SAYS WPB

Doubt that sufficient labor and manufacturing facilities will be available to produce all the 88,000 domestic electric ranges which were expected to be made this year, was expressed last week by WPB.

At the end of November 76,607 electric ranges had been authorized for production, but WPB emphasized that it will permit manufacture of the remaining 11,393 only in plants where labor and facilities are not needed for war work.

Two concerns have just been given authority to produce electric ranges in the fourth quarter. These are Norge, with a quota of 1,500 units; and Gibson Refrigerator Co., with 1,582 units. All of these will be of the standard, 4-burner type, which have not been made for about two years.

This will mark the first time that Norge is being permitted to make electric ranges since production was stopped more than two years ago. Production at Norge will be carried out between the completion of certain war contracts and the undertaking of anticipated new war contracts.

The authorization to Gibson represents a supplement to a previous fourth-quarter authorization for 2,500 electric ranges.

Of the 76,607 ranges authorized for production this year, about 68% are 3-burner models, and about 32% are 4-burner models.

One of the recent big blows against civilian production of this type was the recent announcement that the output of small arms ammunition must be doubled. Demand for manpower will be so heavy that employment in the ammunition industry will be increased by 62,200 workers.

UTILITY FAN CORP. TO CHANGE NAME, BROADEN LINES

Utility Fan Corp. of Los Angeles is changing its name Jan. 1 to Utility Appliance Corp. Starting in 1925 as a manufacturer of ventilating equipment, the Utility organization now produces and distributes a wide range of air cooling, air moving, and gas-fired heating appliances. Additional new appliances are being considered for manufacture after the war.

ANDREWS SISTERS TO HEADLINE NEW NASH-KELVINATOR RADIO SHOW

Nash-Kelvinator is making an important expansion in its advertising activities by entering the major radio show field, it was announced last week.

C. J. Coward, director of advertising and sales promotion, Kelvinator division, said that the company has completed plans for a late Sunday afternoon show over the full Blue Network of 190 stations. The half-hour show, to be aired weekly at 4:30 with its initial broadcast Dec. 31, will star the Andrews Sisters, with a supporting cast and headline guest artists.

The new radio show will have a "ranchhouse" flavor, and theoretically emanate from the Andrews Sisters "Eight-to-the-Bar" Ranch in the San Fernando Valley near Los Angeles. The broadcast will originate basically in the Blue Network's Hollywood studios, but later will frequently move from city to city.

The cast will include comic George "Gabby" Hayes, named in a recent poll as the No. 4 western actor in movie popularity. Vic Schoen, one of the foremost recording maestros and motion picture musical directors, has also been signed for the show. Schoen, whose name has appeared on 35,000,000 Decca records, has been recording musical director for Bing Crosby and for the Andrews Sisters since the latter made their first big hit in 1937. An octette will also be among the musical features of the program.

6 REFRIGERATION FIRMS GRANTED 'SPOT AUTHORIZATIONS' BY WPB

Six firms were granted "spot authorizations" by the War Production Board during the period Nov. 14 to 25 to manufacture refrigeration equipment under Order L-38.

They are the Wilson Cabinet Co., Smyrna, Del., farm freezers; Shaw Engineering Co., Beaumont, Tex., utility service refrigerators, walk-in coolers; Frozen Food Refrigeration Co., Memphis, Tenn., frozen food dispensing equipment; Electro-Kold, Spokane, Wash., frozen food cabinets, ice cream cabinets; Gem Trailer Co., Twin Falls, Idaho, refrigeration cabinets, air conditioners; and Hinshaw Mfg. Co., Sacramento, Calif., reach-in refrigerators.

PURCHASE ORDERS FOR POSTWAR PRODUCTION CAN BE PLACED NOW

Purchase orders may be placed now for materials to be used in postwar production, but the materials may not be received into a manufacturer's inventory, according to Interpretation No. 11 to Priorities Regulation No. 1, as amended.

Under the provisions of Priorities Regulation No. 1, persons are prohibited from receiving more than a minimum practicable working inventory of materials or products into stock, WPB officials pointed out. As a result, deliveries of materials for postwar production may not be accepted now and orders for such materials must call for delivery at a future time when the material can be received.

Furthermore, if the materials or products are subject to restrictions as to placement or acceptance of orders, purchase orders for them must be conditioned on the removal of the restrictions, WPB said.

GENERAL MILLS NOW PLANS NEW SALES ORGANIZATION TO SELL ITS APPLIANCES

Plans of General Mills, Inc., to set up an entirely new sales organization to market household appliances after the war were disclosed by R. E. Imhoff, sales manager of the firm's appliance division, in an address Nov. 30 before the American Marketing Association.

Mr. Imhoff also revealed the firm will use "conventional and presently established channels of distribution and retailing" in getting its products to consumers.

Whether food stores, now handling General Mills' flour and cereal products, will also sell its appliances has not been decided.

General Mills determined to enter the electrical appliance field to help provide job opportunities for the 1,600 workers now employed in its mechanical division making fire control apparatus, torpedo directors and radar components.

PRICING REGULATION SET FOR MANUFACTURERS MAKING NEW TYPE PRODUCT

For new items of durable goods, manufacturers' applications for maximum prices under the fourth pricing method of the general consumer durable goods regulation may, in certain cases, be referred by the OPA to its field offices for final action, the agency said recently. The action was effective Dec. 4, 1944.

The fourth pricing method provides a means for new manufacturers, and for old manufacturers going into an entirely new line of business, to secure a specific authorization of maximum prices before offering an item for sale.

OPA pointed out that this action does not apply to manufacturers reconverting to their old or similar articles made before the war. It is merely a continuation of the fourth pricing method, under which, the agency said, approximately 3,000 pricing orders, mainly for new firms, have been issued since Aug. 1, 1942.

Under the recently announced method, a manufacturer, in seeking an authorization for a maximum price for a durable goods item that he had not made before, would observe the following procedure:

1. He must continue to send his application for a price to the Durable Goods Branch, Office of Price Administration, 2nd and D Sts. S. W., Washington 25, D. C. The National Office will determine if the application is one that can be handled by a Field Office. If the application is forwarded to the field for handling, the manufacturer will be notified.

2. The manufacturer's application is to be submitted in duplicate.

3. OPA advises the manufacturer to consult his OPA District Office in filling out the application form. Copies of this form may be obtained from his OPA District Office or from the National Office.

4. The regulation now states that a sample of the article to be priced must be submitted when OPA requests such a sample. Previously, manufacturers had been permitted to submit samples and this had been urged wherever practicable. The language of the regulation is now made specific on this point.

PURE OIL CO. TO RETAIL APPLIANCES AND RADIOS THROUGH 10,000 GAS STATIONS

Appliances and radios will be retailed by the Pure Oil Co. after the war through its 10,000 service stations, the company has announced. Just how large a line, and whether national or private brands will be carried, and other questions of policy have not yet been decided, said Pure Oil officials, who are studying results of three surveys made for the company. Prior to the war, the stations successfully handled some radio sets.

POSTWAR TREND TO 'COMPLETE' HOMES CITED BY KELLOGG OF CHICAGO UTILITY

Short-term contract purchases of essential kitchen and laundry appliances have in the past threatened the security of many home mortgages, and therefore it is possible that the home of the future may be sold as a completely equipped structure with appliances and other permanent equipment included in the original purchase agreement, declared Roger B. Kellogg of Commonwealth Edison Co. at a recent meeting of the Chicago Metropolitan Home Building Association.

Citing the expected postwar boom for electric dishwashers, refrigerators with frozen food compartments, and improved laundry facilities, Mr. Kellogg predicted that a complete electric kitchen will be available in postwar homes listed at \$5,500.

WILLARD HALL, TIMES APPLIANCE CO. OFFICIAL, DIES

Willard Hall, vice president of Times Appliance Co., Inc., Westinghouse distributor in the New York City area, died Nov. 30. He was 59 years old.

Mr. Hall was a true veteran of the electrical appliance industry. He started his career with Westinghouse at the age of 22, and had been with the Times Appliance Co. since 1928. Last spring he presented a study "Potential Appliance Markets in 1946" before the National Electrical Wholesalers Association convention in Chicago, which study has generally been acknowledged one of the ablest of its kind.